

**Table 7: Impact of Anti-Corruption and Economic Reforms on Governance and Economic Freedom**

Reform Area	Over \$ 1,000 per-Capita Income		Country Sample				Rentier Economies			
			MENA		non-MENA					
			Countries		Countries					
<u>Governance Measures</u>										
Voice, Accountability	CORR	EF	CORR		CORR		EF	CORR		
Political Stability	CORR		CORR		CORR		CORR			
Govt. Effectiveness	CORR	EF	CORR		CORR		EF	CORR		
Regulatory Quality	EF	CORR	EF	CORR	EF	CORR	EF			
Over-All Governance	CORR	EF	CORR		CORR		EF	CORR		
<u>Economic Freedom</u>										
Trade Policy	EF	CORR	CORR		EF		CORR	CORR		
Fiscal Burden	CORR	EF	EF		CORR		EF	EF		
Govt. Intervention	EF	CORR				EF		CORR	EF	
Monetary Policy	EF		EF		EF		CORR	CORR		
Foreign Investment	EF		EF		EF				EF	CORR
Banking & Finance	EF		EF		EF				EF	
Wages & Prices	EF		EF		EF					
Property Rights	CORR	EF	EF		EF		CORR	EF		
Regulation	EF	CORR	EF		EF		CORR	EF		
Informal Market	CORR	EF	EF		CORR		EF	CORR	EF	

Source: Robert Looney, "Corruption in the Middle East: Challenges Posed for the United States," *Strategic Insights* 3, No. 11 (November 2004), [www.ccc.navy.mil/si/2004/nov/looneyNov04.asp](http://www.ccc.navy.mil/si/2004/nov/looneyNov04.asp)

Notes: CORR = Average corruption index 1996-1998, EF = average economic freedom score, 1995-1999. Governance and Economic Freedom Measures = average scores, 2000-2002. Only statistically significant results reported. In all cases for the statistically significant variables, EF and CORR, improvements result in a positive impact on the respective governance, economic reform index.